

## Alaska Telephone Association

Michael Garrett  
President

201 E. 56th, Suite 114  
Anchorage, AK 99518  
(907) 563-4000  
FAX (907) 562-3776  
www.alaskatel.org

James Rowe  
Executive Director  
jrowe@alaskatel.org

September 17, 2013

### **BY ELECTRONIC FILING**

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 Twelfth Street, SW  
Washington, DC 20554

Re: *Wireline Competition Bureau Announces Availability of Version 3.2 of the Connect America Fund Phase II Cost Model and Illustrative Results, Seeks Comment on Several Modifications for Non-Contiguous Areas, Public Notice in WC Docket No. 10-90, Connect America Fund, DA 13-1846 (rel. August 29, 2013)*

Dear Ms. Dortch:

On September 12, 2013, Alaska Communications Systems ("ACS") filed comments on CAM v3.2 which the Federal Communications Commission intends to reflect the costs of undersea cable connectivity to Internet Access Points ("IAPs") located in the lower 48 states. The Alaska Telephone Association ("ATA") has supported the work and filings made on July 9 and July 30 by ACS in the above-captioned proceedings concerning the Connect America Fund ("CAF") Phase II program. In each of its filings, ACS provided additional Alaska-specific data to support adjustments to the Connect America Cost Model ("CAM") under development by the Wireline Competition Bureau.

ATA members, in these reply comments, continue to support ACS efforts to update and provide data leading to the conclusion that the CAM currently does not reflect Alaska-specific cost inputs, and produces an unreasonably low amount of support for Alaskan carriers. The CAM v3.2, should accurately reflect the costs of building an undersea cable system to connect Alaska to IAPs in the lower 48 states. In addition, ATA agrees that the CAM should reflect a plant mix for Alaska that includes a higher proportion of buried and underground cable, as compared to aerial; the high cost of Alaska's soil conditions (permafrost, swamps or hard rock) by

classifying all of Alaska as “hard rock”; the CAM capital inputs should reflect at least a general 10 percent increase in capital costs to reflect the high cost of materials for smaller carriers and the shipping costs to Alaska; ACS should be classified as a “small” rather than “medium” sized company and, finally, given the short season that all carriers in Alaska are subjected, the ten years, rather than five, during which to receive support and complete the required build-out seems more than reasonable.<sup>1</sup>

While ATA supports the efforts and additional data presented by ACS in its filings addressing Alaska-specific adjustments to the model inputs, ATA reiterates that these measures may still be insufficient for building a network in Alaska. Moreover, the characteristics of the ACS-served areas may not be similar to other areas of Alaska.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Rowe", with a long horizontal flourish extending to the right.

---

<sup>1</sup> This extended term should apply to all Alaska providers receiving support from CAF mechanisms that incorporate buildout requirements.